



# **Evolutionary Acquisition Update and The DoD 5000 Revision**

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# KEY FOCUS AREAS

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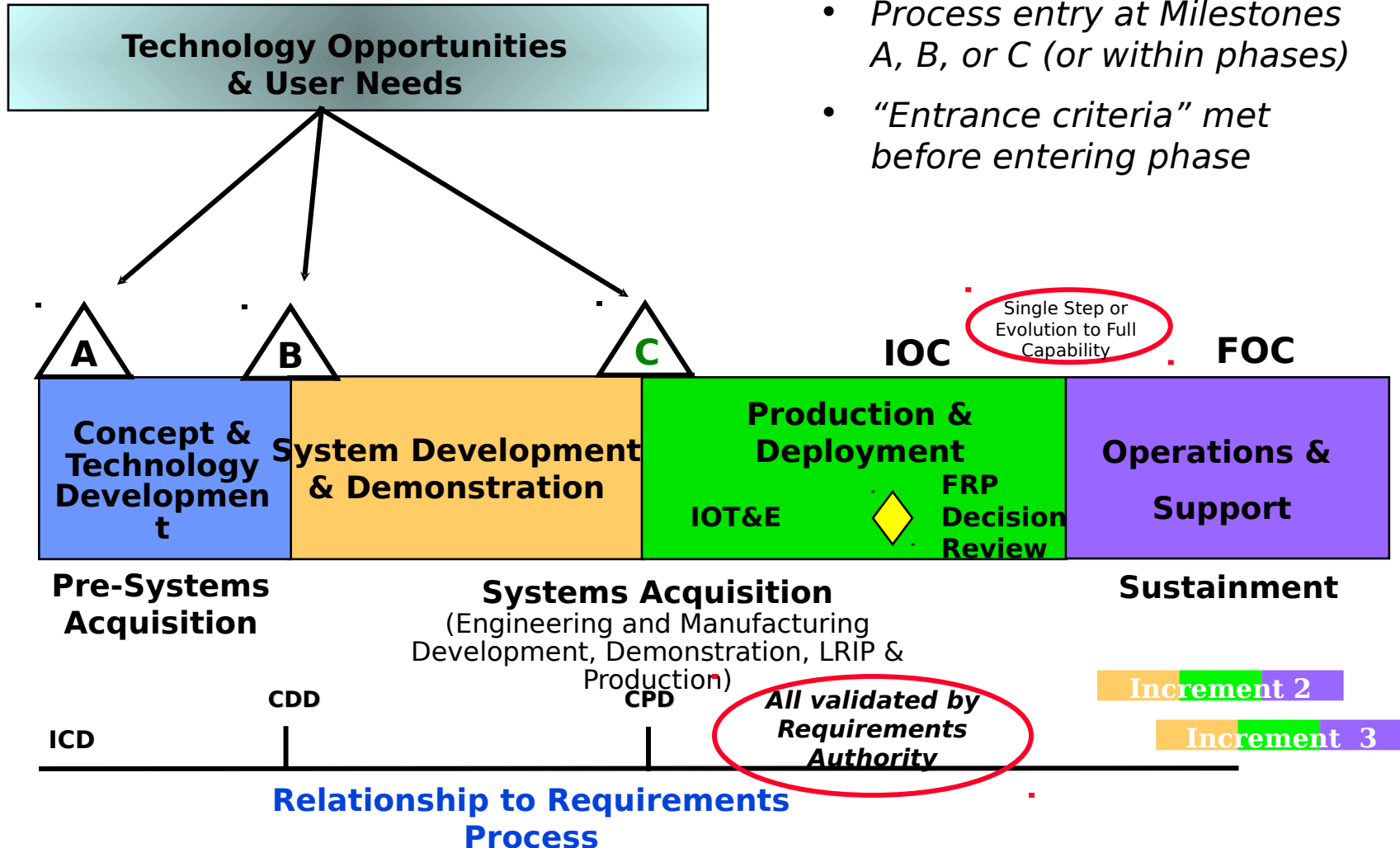
- **Deliver advanced technology to warfighters faster**
    - Rapid acquisition with demonstrated technology
    - Full system demonstration before commitment to production
  - **Reduce total ownership costs and improve affordability**
    - Cost as a requirement that drives design, procurement, and support
    - Increased competition
  - **Deploy interoperable and supportable systems**
    - Interoperability demonstrated prior to production
    - Integration of acquisition and logistics
- Improved performance (including quality) at lower cost**

# Deliver Advanced Technology

## Faster New Model

- ***Technology opportunity and mission need present*** - before entering acquisition process
- ***Multiple process paths*** - not just one way of entering systems acquisition
- ***Evolutionary acquisition*** - based on *time-phased requirements* - preferred (but not only) approach
- ***Technology development separated from systems integration*** - achieve proven technology before beginning systems-level work at Milestone B
- ***“LRIP” more important Departmental commitment*** - than “Full Rate”
- ***“Entrance criteria” met*** -- before entering next phase
- ***Operations, Support, and Disposal*** - part of acquisition process

# The 5000 Model



- Process entry at Milestones A, B, or C (or within phases)
- "Entrance criteria" met before entering phase

# Evolutionary Acquisition: The Principles



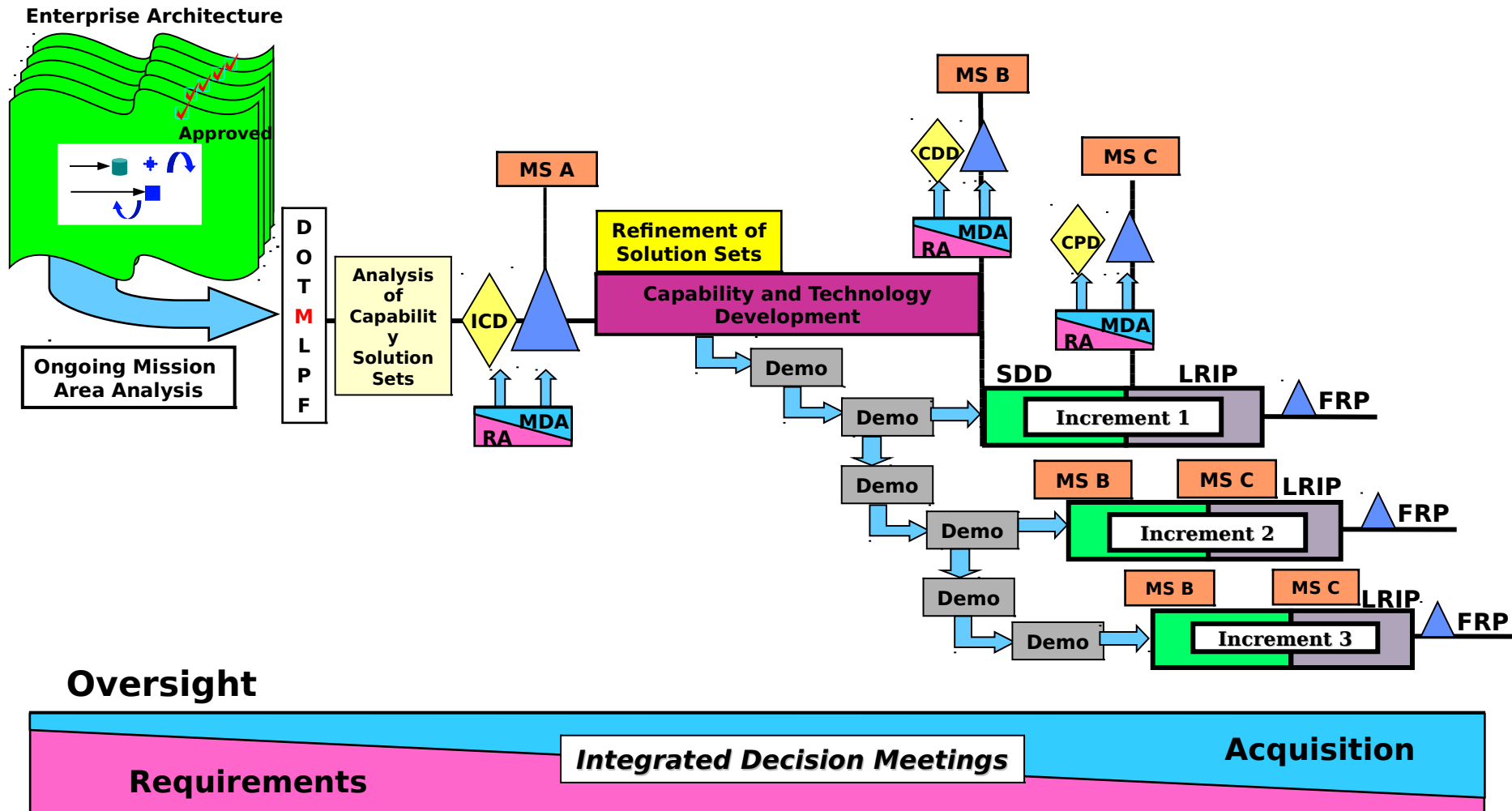
- **DoD's Preferred Approach**
- **Deliver *Useful Capability* to the Operational User as Rapidly as Possible**
- **"Increment 1" Based on *Proven Technology* (the 80% solution), JROC Approved *Time-Phased Requirements*, Projected Threat Assessments, and Demonstrated Manufacturing Capabilities**
- **"Increment 2" and Beyond *Fully Funded and Independently Baseline*d as Technology Matures. Scope, Performance and Timing of Subsequent Increments based on continuous communication among the the Requirements, Acquisition, Intelligence and Budget Communities**

# Evolutionary Acquisition: Two Approaches



- ***Incremental Development:*** A desired capability is identified, an end-state requirement is known, and that requirement is met over time by development of several increments, each dependent on available mature technology.
- ***Spiral Development:*** A desired capability is identified, but the end-state requirements are not known at program initiation. Requirements are refined through demonstration and risk management; there is continuous user feedback; and each increment provides the user the best possible capability
  - MDA authorizes work to begin on subsequent increments in consideration of above as well as

# Evolutionary Acquisition and Spiral Development



# Evolutionary Acquisition

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**OR** *Single Step to Full Capability ?*

## **Key Considerations**

- **Urgency of Requirement**
- **Maturity of Key Technologies**
- **Interoperability, Supportability, and Affordability of Alternative Acquisition Approaches**
- **Cost/Benefit of Evolutionary vs. Single Step Approach**

***Distance Learning Module in Progress***



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# **The 5000 Acquisition Policy Revis**

# ***Sustained Commitment to Acquisition Excellence***

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## **Two of Secretary Rumsfeld's Five Key Priorities Are Primarily Focused on Acquisition Excellence**

- **Reform DoD structures, processes, and organization, *including the Acquisition Process***
- **Introduce New Weapons Systems to Address Our New Circumstances**
  - **Reduce Cycle Times of Our Weapons**
  - **Insert New Commercial Technology**

# ***Under Secretary Aldridge's Goals***

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- **Achieve Credibility and Effectiveness in the Acquisition and Logistics Process**
- **Revitalize the Quality and Morale of the Acquisition Workforce**
- **Improve the Health of the Defense Industrial Base**
- **Rationalize the Weapons System and Infrastructure to the Defense Strategy**
- **Initiate High Leverage Technologies to Create Weapon Systems and Strategies of the Future**

# DepSecDef Direction

- **Determines that current acquisition policies require revision**
- **Issues interim guidance**
- **Directs that revised documents be prepared in 120 days**
- **Additional direction from DepSecDef required documents be prepared for his review by January 15th**



THE DEPUTY SECRETARY OF DEFENSE  
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USA

OCT 30 2002



MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
DIRECTOR DEFENSE RESEARCH AND ENGINEERING  
ASSISTANT SECRETARIES OF DEFENSE  
GENERAL COUNSEL, DEPARTMENT OF DEFENSE  
INSPECTOR GENERAL, DEPARTMENT OF DEFENSE  
DIRECTOR, OPERATIONAL TEST AND EVALUATION  
ASSISTANTS TO THE SECRETARY OF DEFENSE  
DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DIRECTOR, NET ASSESSMENT  
DIRECTORS OF THE DEFENSE AGENCIES  
DIRECTORS OF DOD FIELD ACTIVITIES

SUBJECT: Defense Acquisition

I have determined that the current DoD Directive 5000.1, "The Defense Acquisition System," DoD Instruction 5000.2, "The Operation of the Defense Acquisition System," and DoD 5000.2-R, "Mandatory Procedures for Major Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) Acquisition Programs," require revision to create an acquisition policy environment that fosters efficiency, flexibility, creativity, and innovation. Therefore, by separate memorandum, I have cancelled those documents effective immediately.

By this memorandum, I am issuing the attached interim guidance in place of the cancelled documents. The intent of the guidance is to rapidly deliver affordable, sustainable capability to the warfighter that meets the warfighter's needs. Additional, supporting discretionary, best practices, lessons learned, and expectations have been posted to the DoD 5000 Resource Center at <http://dod5000.dau.mil>.

I am directing the Under Secretary of Defense for Acquisition, Technology, and Logistics, with the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) and the Director, Operational Test and Evaluation, to jointly prepare revised documents within 120 days.

Attachments:  
As stated

U16167-02

# DoD 5000 Policy Revision

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## ***DoD Directive 5000.1 (Attachment 1 to DepSecDef Memo)***

**Principles retained; innovation/flexibility emphasized**

## ***DoD Instruction 5000.2 (Attachment 2 to DepSecDef Memo)***

**Acquisition management model unchanged  
Focused on Required Outcomes and Statutory  
Requirements**

## ***DoD Regulation 5000.2***

**Cancelled as mandatory document—becomes “Guide”,  
not a regulation; characterized as non-mandatory  
Content will be:**

**Expectations (TEMP, C4ISP etc.)**

**Best Practices**

**Lessons Learned**

**Guidance on practice and procedure**

**Information Retained and available to Workforce on  
Internet**

# DoD 5000 Policy Revision

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- ***Why Change the Current Policy***
  - **Current Policies Considered Overly Prescriptive**
  - **Do not constitute an acquisition policy environment fostering efficiency, creativity, and innovation**
- ***Revised Policy Objectives***
  - **Encourage Innovation and Flexibility**
  - **Permit Greater Judgment in the Employment of Acquisition Principles**
  - **Focus on Outcomes instead of Process**
  - **Empower Program Manager's to Use the System vice being hampered by over regulation**

# DoD 5000 Policy Revision

## *Significant Changes Reflected in “Interim Policy”*

- ***Increased Emphasis on and Discussion of Evolutionary Acquisition and Spiral Development***
- ***Requirements and Acquisition Integration***
  - Joint Integrated Architectures
  - Integrated/Collaborative Requirements/Acquisition Process
  - Integrated Capability Assessments, Capability Roadmaps and Investment Strategies
  - Revised Requirements Lexicon: ICD, CDD, CPD
- ***OSD Review Procedures***
  - ACATID and ACATIAM when program has “special interest” based on: technological complexity, congressional interest, has a large commitment of resources, is critical to achieving a capability or set of capabilities; or the program is joint
  - Meeting criteria does not automatically imply ACATID or ACATIAM designation
- ***Documents “Streamlined”, but policy reflecting statutory compliance, enduring policy principle, and best business practice remains***

# ***Changes to Requirements Generation System***

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- **Joint Staff determined that the current system does not adequately support the development of an integrated and effective joint force.**
- **Joint Staff Memo (7 Oct) cancelled those sections of CJCSI 3170.01B that described the Mission Needs Generation and Capstone Requirements Generation Process**
- **Process revisions being developed and coordinated with the acquisition community and in conjunction with revision to the 5000 series policies**
- **Action to be completed within 120 days---similar to 5000 timeline**



# DoD 5000 Policy Revision

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## *Current Status*

- **Interim Guidance directs acquisition process while final documents are coordinated**
  - **The Defense Acquisition System**
  - **Operation of the Defense Acquisition System**
- **Supporting Non-Mandatory Best Practices, Lessons Learned, and Expectations posted to the DAU 5000 Resource Center (<http://dod5000.dau.mil>)**
- **DoD Regulation 5000.2 will not be re-issued. Guide to be finalized following Directive and Instruction**
- **Defense Acquisition Policy Working Group (DAPWG) managing “finalization” effort**